



Connecticut Economic Update

August 19, 2016

Summary

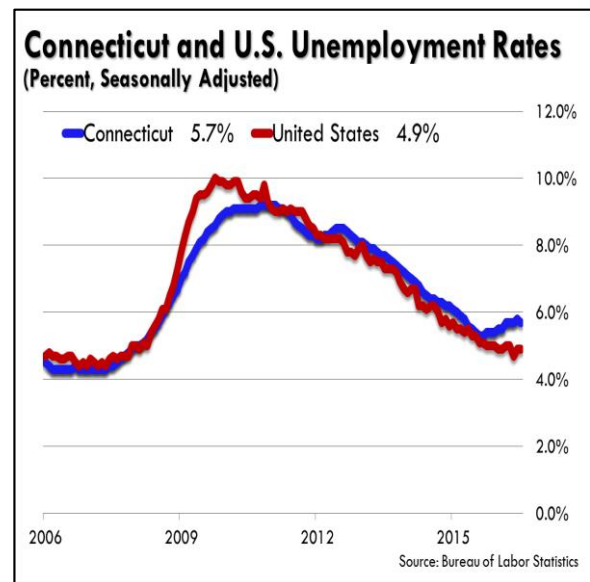
Nonfarm payroll employment in Connecticut increased by 1,700 jobs and the unemployment rate fell to 5.7 percent in July according to data released by the Bureau of Labor Statistics (BLS).

Connecticut Unemployment Rate

During July, the unemployment rate in Connecticut declined by 0.1 percentage point to 5.7 percent. The number of people counted as unemployed fell by 1,904 in July to 108,596, while the labor force grew by 309 to 1,900,912. Among the 50 states and the District of Columbia, 38 posted lower unemployment rates for the month than Connecticut. A year earlier, the unemployment rate in Connecticut stood at 5.4 percent.

The 10-year peak for the unemployment rate in Connecticut was 9.2 percent in February 2011. The series high for the unemployment rate in Connecticut occurred in January 1976 when the unemployment rate reached 10.0 percent. The 10-year low for the unemployment rate in Connecticut was 4.3 percent in May 2007. The series low for the unemployment rate in Connecticut occurred in October 2000 when the unemployment rate reached 2.2 percent. BLS began publishing the state unemployment rate series in 1976.

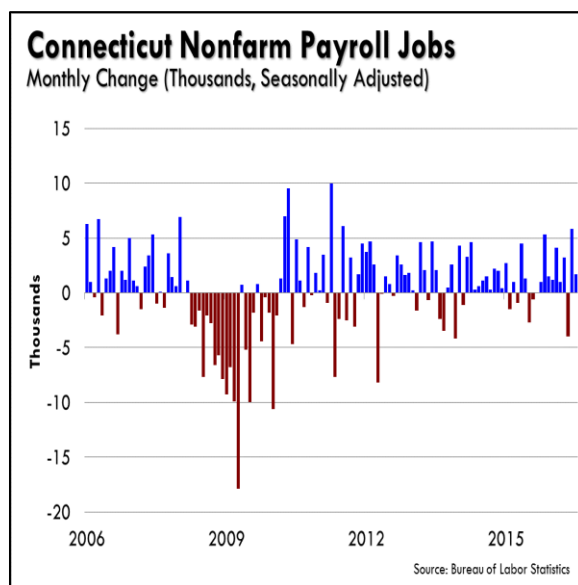
The national unemployment rate was unchanged at 4.9 percent in July. July's unemployment rate was 0.4 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Connecticut Payroll Employment

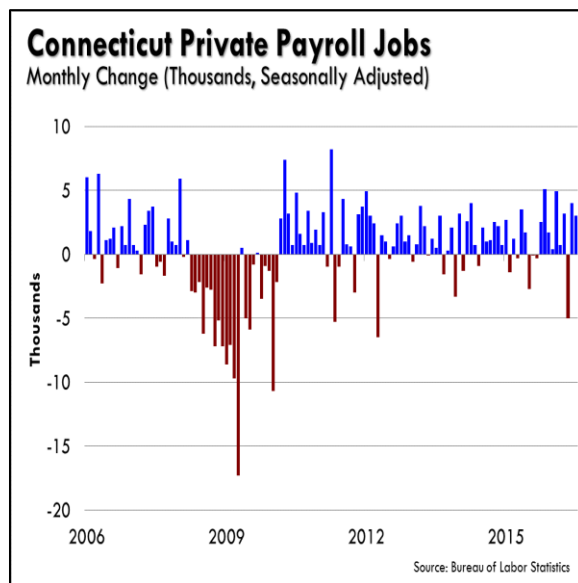
Connecticut nonfarm payrolls increased by 1,700 jobs, or 0.10 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls increased by 5,800. Over the past 12 months nonfarm payrolls in Connecticut increased by 20,200, or 1.21 percent. Connecticut nonfarm payroll employment has increased in 9 of the past 12 months.

Nationally, nonfarm payrolls increased by 255,000 jobs in July, or 0.18 percent. Over the 12-month period ending July 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. Connecticut ranks 32nd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.



During July, Connecticut private-sector payrolls increased by 3,000, or 0.21 percent. Private-sector payrolls increased by 4,000 jobs in the prior month. Over the past 12 months, private-sector payrolls in Connecticut increased by 20,100, or 1.40 percent. Connecticut private-sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 217,000 jobs in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,293,000 jobs in the private sector, an increase of 1.91 percent.



Connecticut ranks 31st among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

During July, total government payroll employment in Connecticut declined by 1,300, or 0.54 percent. Federal government payroll employment was unchanged. State government payroll employment declined by 300, or 0.42 percent, while local government payroll employment was unchanged.

Over the past year, total government payroll employment increased by 100, or 0.04 percent. State government payroll employment increased by 700, or 1.01 percent. Local government payroll employment was unchanged.

The best performing sectors on a seasonally adjusted basis during July were Trade, Transportation & Utilities (+1,700) and Leisure & Hospitality (+1,700). The poorest performing sectors during the month were Total Government (-1,300) and Educational & Health Services (-900).

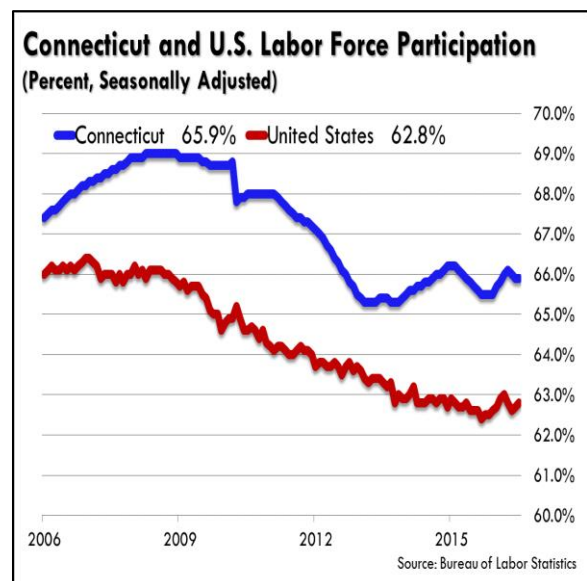
The best performing sectors during the last twelve months were Leisure & Hospitality (+3,900) and Financial Activities (+3,600). The poorest performing sectors during the last twelve months were Mining & Logging (+100) and Total Government (+100).

Other Connecticut Labor Force Statistics

The labor force participation rate in Connecticut was unchanged at 65.9 percent in July. Among the 50 states and the District of Columbia, 15 have a higher labor force participation rate than Connecticut. The labor force participation rate in Connecticut is 0.2 percentage point higher than a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Connecticut was 69.0 percent in December 2008. The series high for the labor force participation rate in Connecticut occurred in November 1991 when the labor force participation rate hit 71.8 percent. The 10-year low for the labor force participation rate was 65.3 percent in November 2013. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 63.9 percent.

The national labor force participation rate rose by 0.1 percentage point to 62.8 percent in July, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the Connecticut civilian noninstitutionalized population 16 years and older counted as employed, was unchanged at 62.1 percent in July. Among the 50 states and the District of Columbia, 17 have higher employment-to-population ratios than Connecticut. The employment-to-population ratio in Connecticut is unchanged from a year earlier.

The 10-year high for the employment-to-population ratio in Connecticut was 65.5 percent in January 2008. The series high for the employment-to-population ratio in Connecticut occurred in December 1989 when the employment-to-population ratio hit 68.3 percent. The 10-year low for the employment-to-population ratio was 60.1 percent in March 2013. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 57.6 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.7 percent in July. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for August is scheduled for release on September 20, 2016. The national employment situation report for August will be released on Friday, September 2, 2016.

